

AMENDED IN SENATE JUNE 26, 2002

AMENDED IN SENATE JUNE 17, 2002

AMENDED IN SENATE JUNE 10, 2002

AMENDED IN ASSEMBLY APRIL 16, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 902

Introduced by Assembly Member Strom-Martin

February 23, 2001

An act to add Chapter 2.64 (commencing with Section 7286.24) to Part 1.7 of Division 2 of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 902, as amended, Strom-Martin. Transactions and use tax: qualified cities ~~and qualified counties~~.

Existing law authorizes various local governmental entities, subject to certain limitations and approval requirements, to levy transactions and use taxes in accordance with the procedures and requirements set forth in the Transactions and Use Tax Law.

This bill would additionally authorize a qualified city ~~or a qualified county~~, with the approval of $\frac{2}{3}$ of voters voting on the issue at an election, to levy a transactions and use tax at a rate of 0.25%, or a multiple thereof not to exceed 1%, for the purpose of maintenance, repair, replacement, construction, or reconstruction of the road systems in that qualified city ~~or qualified county~~.

This bill would make legislative findings and declarations as to the necessity of a special statute.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Chapter 2.64 (commencing with Section 7286.24) is added to Part 1.7 of Division 2 of the Revenue and Taxation Code, to read:

CHAPTER 2.64. QUALIFIED CITY ~~AND COUNTY~~ TRANSACTIONS
AND USE TAXES

7286.24. (a) (1) In addition to any tax levied pursuant to Part 1.5 (commencing with Section 7200) and any other tax authorized by this part, and subject to paragraph (2), a qualified city may levy a transactions and use tax at a rate of 0.25 percent, or a multiple thereof not to exceed 1 percent, if both of the following conditions are met:

(A) An ordinance proposing that tax is approved by a majority vote of all the members of the city council.

(B) The proposing ordinance is approved by a two-thirds majority of qualified voters of the city in an election on the issue.

(2) (A) Any transactions and use tax levied under this section shall be levied pursuant to the Transactions and Use Tax Law (Part 1.6 (commencing with Section 7251)).

(B) The net revenues derived from a tax levied under this section shall be exclusively expended for the maintenance, repair, replacement, construction, or reconstruction of the qualified city's road system.

~~(b) (1) In addition to any tax levied pursuant to Part 1.5 (commencing with Section 7200) and any other tax authorized by this part, a qualified county may levy, subject to paragraph (2), a transactions and use tax at a rate of 0.25 percent, or a multiple thereof not to exceed 1 percent, in the unincorporated area of the county, if all of the following conditions are met:~~

~~(A) An ordinance proposing the tax is approved by a majority vote of all of the members of the board of supervisors.~~

1 ~~(B) The ordinance imposing the tax is approved by a two-thirds~~
2 ~~vote of the qualified voters of the county voting in an election on~~
3 ~~the issue.~~

4 ~~(C) Any transaction and use tax levied under this section shall~~
5 ~~be levied only in the unincorporated area of the county.~~

6 ~~(2) (A) Any transaction and use tax levied under this section~~
7 ~~shall be levied pursuant to the Transactions and Use Tax Law (Part~~
8 ~~1.6 (commencing with Section 7251)).~~

9 ~~(B) The net revenues derived from a tax levied under this~~
10 ~~section shall be expended only for the maintenance, repair,~~
11 ~~replacement, construction, or reconstruction of the county's road~~
12 ~~system.~~

13 ~~(e) (1)–~~

14 ~~(b) For purposes of this section “qualified city” means the City~~
15 ~~of Clearlake, the City of Fort Bragg, the City of Point Arena, the~~
16 ~~City of Ukiah, or the City of Willits.~~

17 ~~(2) For purposes of this section, “qualified county” means the~~
18 ~~County of Lake and the County of Mendocino.~~

19 SEC. 2. The Legislature finds and declares that a special law
20 is necessary and that a general law cannot be made applicable
21 within the meaning of Section 16 of Article IV of the California
22 Constitution because of the uniquely difficult fiscal pressures
23 being experienced by the cities and counties specified in Section
24 1 of this act in providing maintenance, repair, replacement,
25 construction, and reconstruction services for the cities' and
26 counties' road systems.

